

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-06-12

1 **RESOLUTION**

2 **ENHANCING THE WATER CONSERVATION REBATE PROGRAM AND**
3 **ESTABLISHING A PROCESS FOR EVALUATING AND AMENDING THE**
4 **PROGRAM.**

5 WHEREAS, the Water Utility Authority has adopted a water conservation goal of
6 150 gallons per capita per day by 2014; and

7 WHEREAS, the State Engineer required under the Drinking Water Permit, No.
8 4830, that the Authority reduce use to 175 gallons per capita per day for native water
9 diversions and 155 gallons per capita per day within twenty years; and

10 WHEREAS, the first dedicated rate increase in 1995 provided funding for water
11 conservation incentives including rebates; and

12 WHEREAS, water conservation rebate programs are a proven method for
13 reducing water use throughout the Authority's service area; and

14 WHEREAS, the Authority has provided rebates for more than 57,000 toilets,
15 13,000 shower heads, 11,000 washing machines and more than 100 acres of turf
16 converted to xeriscape; and

17 WHEREAS, there is a continued need for water conservation in the Authority's
18 service area in order to provide a sustainable water source into the future and to meet
19 State Engineer permit conditions; and

20 WHEREAS, the Water Resources Advisory Committee has reviewed, evaluated
21 and made recommendations on enhancing the Water Conservation Rebate Program;
22 and

23 WHEREAS, the Authority approved in May 2006 a one percent rate increase to
24 support water resources programs including additional funding for water conservation
25 rebates and incentives; and

26 WHEREAS, the Water Conservation Program shall be responsible for
27 implementing existing and new rebate programs which shall require Board approval as
28 outlined in this resolution.

1 BE IT RESOLVED BY THE AUTHORITY:

2 Section 1. Rebate and Incentive Funding. The dedicated funds for water
3 conservation shall provide a minimum of \$1.8 million annual for water conservation
4 rebates and incentives. Unspent rebate funds shall be accounted and held in reserve
5 for future rebates or incentives as approved by the Water Authority Board.

6 Section 2. The following current rebate programs will remain in effect unless
7 and until they are phased out in accordance with Section 5 below:

8 A. Low Flow Toilets. Shall be installed or inspected by a licensed certified
9 plumber:

10 1. Residential - First toilet \$125, Second toilet \$75, Third and all
11 subsequent \$50 per toilet.

12 2. Commercial - \$90 per toilet with a maximum of 200 per account per
13 year.

14 B. Washing Machines: \$100 per account. Available every five years or
15 whenever the property is sold.

16 C. Xeriscaping: \$0.40 - \$0.80 per square foot depending on plants selected.
17 \$800 maximum for residential accounts, \$5,000 maximum for commercial accounts.
18 The rebated area must have 50% of the resulting area in xeric plants and no sprinklers
19 are permitted in the rebated area.

20 D. Rainbarrels: \$25 per account.

21 E. Multi-Setting Sprinkler Timers: \$10 per account.

22 F. Recirculating Hot Water Heaters: \$100 per account. Must be installed or
23 verified by a licensed plumber.

24 G. Low-flow Showerheads: \$8 when changed in conjunction with a low-flow
25 toilet.

26 Section 3. The following rebate program enhancements will included for
27 implementation on July 1, 2006.

28 A. Dual flush and high efficiency toilet rebates. An additional \$50 will be
29 added to the current rebate amounts for any customer who elects to install dual-flush or
30 high efficiency toilets instead of the standard 1.6 gallon per flush low flow toilets.
31 Customers who have already installed 1.6 gallon per flush low flow toilets shall receive
32 a \$50 rebate for each toilet they replace with a dual flush or high efficiency toilet. High

1 efficiency toilets must use less than 1.6 gallons per flush. Toilets must be selected from
2 the approved list provided by the Water Conservation Program.

3 B. Xeriscape Rebate Program. Shall increase the amount of the rebate per
4 square foot from \$0.40 per square foot to \$0.60 per square foot for all medium to low
5 water use plants. The rebate available for precipitation-supported landscapes that use
6 extremely low water use plants shall increase from \$0.80 per square foot to \$1.20 per
7 square foot. The maximum rebate available to residential customers will be \$2,400 and
8 the maximum rebate available to non-residential customers will be \$10,000.

9 Section 4. The following rebate programs shall be developed and added to the
10 rebate program by January 1, 2007 in accordance with the approval process outlined in
11 Section 4.

12 A. Irrigation Efficiency Rebate. This program would include rain
13 barrels, cisterns, rain sensors for irrigation systems, upgrades to sprinkler heads,
14 movement of sprinklers away from the sidewalk/curb, conversion to low flow and drip
15 irrigation (i.e. systems that reduce evaporative loss), and possibly soil amendments.
16 Incentives for these options would be based upon the potential water savings.

17 B. Non-Residential Rebate. For non-residential customers, a new
18 rebate program shall be examined to provide rebates based on the amount of water that
19 can be conserved through efficiency, retrofitting, or other means not currently available
20 in the existing rebate program. The amount of the rebate will be based on the amount
21 of water saved as verified by a water audit or other means.

22 C. Commercial/Institutional Rebate. The Water Conservation Program
23 shall set aside a minimum of \$200,000 annually for rebates for water conservation
24 improvements for commercial and institutional customers. Under this program, the
25 Authority shall develop agreements with the specific customer and those agreements
26 shall be approved by the Water Authority Board.

27 Section 5. Approval of New Rebates and Phasing Out of Existing Rebates.
28 New water conservation Rebate programs or phasing out of existing Rebate programs
29 may be proposed periodically as follows:

30 A. New Policy. Legislation proposed and approved by the Authority.

31 B. New Rebates. The Water Conservation Program shall submit a cost-
32 benefit analysis detailing the amount for the rebate based on the estimate water
33 savings. In addition, the analysis shall include a fiscal analysis of the impact to the

1 overall rebate program. In no case shall a rebate program pay for more than half of the
2 cost of the product or conversion. No rebate program shall be approved where the
3 cost-benefit is projected to be more than \$20 per unit of water saved.

4 C. Phasing Out of Existing Rebates. Rebate programs shall be phased-out
5 as necessary when they are deemed to be unsuccessful due to low participation rates,
6 not meeting the projected cost-benefit or anticipated water savings, or when it is
7 determined that a rebate program is no longer necessary to encourage the use of a
8 particular product. There shall be a minimum of six months notification and processing
9 period prior to phasing out rebates and shall be subject to the approval of the Water
10 Authority Board.

11 Section 6. Reporting of Rebate Programs. The Water Conservation Program
12 shall prepare and submit an annual report on the water conservation incentive program
13 including the number of rebates provided by type, new rebates, rebates proposed to be
14 phased out, and recommended changes to the rebate program for the following year.

15 Section 7. The Water Authority shall annually prepare and distribute an annual
16 report which shall have as its focus water conservation information.